



BellSouth Telecommunications, Inc.
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REGULATORY AUTH.

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Guy M. Hicks
General Counsel

May 9, 2001
OFFICE OF THE
EXECUTIVE SECRETARY
615 214 6301
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VIA HAND DELIVERY

David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *Complaint of AVR of Tennessee, L.P., d/b/a Hyperion of Tennessee,
L.P. Against BellSouth Telecommunications, Inc. to Enforce Reciprocal
Compensation and "Most Favored Nation" Provision of the Parties'
Interconnection Agreement*
Docket No. 98-00530

Dear Mr. Waddell:

In response to the Authority's request set forth in your letter of May 1, 2001, enclosed please find a copy of the parties' regional Confidential Settlement Agreement (the "Agreement") executed on December 22, 2000. The Agreement settles certain disputes between the parties regarding the amount of reciprocal compensation claimed due by Adelphia under recently-expired interconnection agreements in the nine-state BellSouth region. The Agreement also includes certain going-forward agreements negotiated by the parties that were incorporated into the new interconnection agreement that was filed with the Authority on May 4, 2001. The going-forward agreements are set forth in Attachment A to the Agreement. These "going forward" agreements later were modified by the parties and, as modified, are contained in Attachment 3 to the Agreement that was filed on May 4.

You will note that the payment amounts on page 2 of the Agreement have been redacted. As previously stated in BellSouth's response to the Authority's January 31, 2000 data request, these settlement amounts have been paid by BellSouth to Adelphia.

David Waddell, Executive Secretary

May 9, 2001

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The Authority also requested a copy of "any other agreements between BellSouth and Hyperion involving reciprocal compensation issues that contributed to the resolution of the complaint in this docket." There are no such other agreements.

Counsel for Adelphia has reviewed this letter and has no objection to it or the submission of the Agreement to the Authority with the above-described redactions.

If you have any questions, please do not hesitate to contact either me or Mr. Walker.

Very truly yours,

A handwritten signature in black ink, appearing to read "Guy M. Hicks", with a large, sweeping flourish at the end.

Guy M. Hicks

GMH:ch
Enclosure

cc: Michael Shor, Esquire